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-and-

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

RICK ALAN DAVIDSON,

Debtor.

Chapter 11

Case No. 19-11486 (SMB)

JEFFERIES, LLC and
JEFFERIES GROUP, LLC,
Plaintiffs,

v.

RICK ALAN DAVIDSON,

Defendant.

Adversary Proceeding No. 19-1395 (SMB)

**DECLARATION OF ALAN J. BRODY IN OPPOSITION TO
DEFENDANT'S MOTION FOR SUMMARY JUDGMENT¹**

Alan Brody, declares under penalty of perjury, pursuant to 28 U.S.C. § 1746:

¹ All capitalized terms not defined herein shall have the meaning set forth in Jefferies' Statement of Material Facts filed contemporaneously herewith.

1. I am a Shareholder in the law firm Greenberg Traurig, LLP, counsel for Plaintiffs, Jefferies LLC and Jefferies Group LLC (collectively, “Jefferies”). I submit this declaration in support of Jefferies’ opposition to the motion for summary judgment filed by Rick Alan Davidson, the above-captioned debtor and defendant (“Davidson” or the “Defendant”) Adv. Pro. Doc. No. 51).

2. Attached hereto as **Exhibit 1** is a true and correct copy of excerpts of the transcript of the deposition of Laurie Scoran conducted on September 26, 2023.

3. Attached hereto as **Exhibit 2** is a true and correct copy of an email from Darrin Wirhouski of Morgan Stanley to Davidson dated March 15, 2016 (bates number MS-000046-000047).

4. Attached hereto as **Exhibit 3** is a true and correct copy of an email from Marina Matthews of Morgan Stanley dated May 17, 2016, with the subject “FW: Termination of Rick Davidson” (bates number MS-000106-000107).

5. Attached hereto as **Exhibit 4** is a true and correct copy of the Last Chance Agreement dated February 7, 2012, “Subject: FA Rick A. Davidson #622-321” (bates number MS-000040-000042).

6. Attached hereto as **Exhibit 5** is a true and correct copy of an Addendum to Last Chance Agreement signed by Davidson on May 16, 2012 (bates number MS-000432).

7. Attached hereto as **Exhibit 6** is a true and correct copy of a Letter of Reprimand from Ben Firestein of Morgan Stanley to Davidson dated June 21, 2011 (Bates number MS-000039).

8. Attached hereto as **Exhibit 7** is a true and correct copy of a Memorandum from Ben Firestein of Morgan Stanley to Davidson dated January 24, 2012 with the subject “Business Plan Requirements”. (Bates number MS-000334-335).

9. Attached hereto as **Exhibit 8** is a true and correct copy of the Letter of Reprimand from Ben Firestein of Morgan Stanley to Davidson dated February 3, 2012 (bates number MS-000043-000044).

10. Attached hereto as **Exhibit 9** is a true and correct copy of an email from Kat Koutsantonis, Executive Director of Morgan Stanley’s Human Resource Department to Ben Firestein of Morgan Stanley’s Wealth Management group dated March 5, 2012 (bates number MS-000326).

11. Attached hereto as **Exhibit 10** is a true and correct copy of a letter dated March 8, 2012 from FINRA to Morgan Stanley, in which FINRA issued a letter finding Davidson had violated FINRA rules and requesting Morgan Stanley outline the steps it has taken to ensure Davidson abides by FINRA rules of conduct in the future. (Bates number MS-000045)

12. Attached hereto as **Exhibit 11** is a true and correct copy of a Memorandum from Morgan Stanley dated March 13, 2012, “Subject: FA Rick A. Davidson #622-321” (bates number MS-000368-000369).

13. Attached hereto as **Exhibit 12** is a true and correct copy of a Memorandum from Morgan Stanley dated May 9, 2012 (bates number MS-000370).

14. Attached hereto as **Exhibit 13** is a true and correct copy of a Cautionary Action Letter from FINRA to Davidson dated May 16, 2013 (bates number Jefferies-Davidson-002136).

15. Attached hereto as **Exhibit 14** is true and correct copy the Central Registration Depository system (“CRD”) Report regarding Davidson dated March 21, 2016 disclosing three customer complaints made concerning Davidson. (bates numbers Jefferies 000795-000817)

16. Attached hereto as **Exhibit 15** is a true and correct copy of excerpts of the transcript of the deposition of Frank Scheuer conducted on September 14, 2023.

17. Attached hereto as **Exhibit 16** is a true and correct copy of the Offer Letter (bates number Jefferies-Davidson 000064-000068).

18. Attached hereto as **Exhibit 17** is a true and correct copy of the New Hire Compliance Questionnaire signed by Davidson on May 31, 2016 (bates number Jefferies-Davidson-000819-835).

19. Attached hereto as **Exhibit 18** is a true and correct copy of a letter from Davidson dated April 22, 2016 (bates stamped Jefferies-Davidson 001524-001525).

20. Attached hereto as **Exhibit 19** is a true and correct copy of the Promissory Note dated May 17, 2016 executed by Davidson for the loan made to him by Jefferies in the amount of \$5,142,500. (bates numbers Jefferies-Davidson-000069-000075).

21. Attached hereto as **Exhibit 20** is a true and correct copy of Talking Points for Discussion with Rick Davidson dated May 16, 2017. (Bates number Jefferies-Davidson-003845-003846).

22. Attached hereto as **Exhibit 21** is a true and correct copy of excerpts of the transcript of the deposition of Jeffrey Martin Lau conducted on December 21, 2023.

23. Attached hereto as **Exhibit 22** are true and correct copies of excerpts of the transcript of the deposition of Eileen O’Connell Arcuri conducted on December 21, 2023.

24. Attached hereto as **Exhibit 23** is a true and correct copy of an emails from Jeff Lau to Eileen Arcuri dated April 22, 2016 (bates number Jefferies 002862-002863).

25. Attached hereto as **Exhibit 24** is a true and correct copy of excerpts of the transcript of the deposition of Davidson conducted on May 1, 2023.

26. Attached hereto as **Exhibit 25** is a true and correct copy of Form U5 filed by Morgan Stanley on June 15, 2016 (bates number Jefferies 001559-001565).

27. Attached hereto as **Exhibit 26** is a true and correct copy of a May 23, 2016 Letter from the Commonwealth of Massachusetts, Secretary of the Commonwealth, Securities Division to Arcuri (Bates number Jefferies-Davidson-002127 – 2130).

28. Attached hereto as **Exhibit 27** is a true and correct copy of a May 31, 2016 Email from Davidson to Lau (Bates number Jefferies-Davidson-002133-2134).

29. Attached hereto as **Exhibit 28** is a true and correct copy of an email from Davidson to Lau dated June 21, 2016 (bates number Jefferies-001566-001567).

30. Attached hereto as **Exhibit 29** is a true and correct copy of an email from David Nagy to Lauri Scoran dated June 23, 2016 (bates number Jefferies 001640).

31. Attached hereto as **Exhibit 30** is a true and correct copy of an email from Peter Schultz, Executive Director, Morgan Stanley Wealth Management, Legal and Compliance, to Barbara Flessas, Jefferies in-house counsel dated June 22, 2016 (bates number Jefferies-Davidson-001149).

32. Attached hereto as **Exhibit 31** is a true and correct copy of Jefferies' FINRA Arbitration Claim dated October 26, 2017.

33. Attached hereto as **Exhibit 32** are true and correct copies of October 15, 2018 and October 26, 2018 Letters from Morgan Stanley.

34. Attached hereto as **Exhibit 33** is a true and correct copy of an email from Ayanna Bonalde to Barbara Flessas dated May 22, 2017 enclosing the amended Form U5 filed by Morgan Stanley on May 19, 2017 (bates number Jefferies 000748-000772).

35. Attached hereto as **Exhibit 34** is a true and correct copy of a FINRA News Release, “NASD Proposes Heightened Supervision for Brokers with a History of Customer Complaints, Investigations or Regulatory Actions” (Aug. 28, 2003).

36. Attached hereto as **Exhibit 35** is a true and correct copy of the Bargain and Sale Deed and Conveyance of Real Property dated May 16, 2014, relating to the conveyance of property located at 39 Tyndall Road, Sag Harbor, New York, from Mr. Anthony Bova to Mr. Rick Davidson and Ms. Nancy Sterns, as joint tenants with rights of survivorship (bates number DAVIDSON 0135-01363).

37. Attached hereto as **Exhibit 36** is a true and correct copy of the statement of account for Rick Davidson’s People’s United Wealth Advantage Checking Account ending in 4489 for the periods January 18, 2019 to May 20, 2019 (bates number DAVIDSON02354-02379).

38. Attached hereto as **Exhibit 37** is a true and correct copy of the payroll directly deposited by National Securities Corporation into Rick Davidson’s PNC Bank Account ending in 4045 (January 10, 2018 to February 26, 2018) and then into Davidson’s People’s United Wealth Advantage Checking Account ending in 4489 (March 13, 2018 to September 12, 2018) (bates number RD000158-000167; RD000607-000601).

39. Attached hereto as **Exhibit 38** is a true and correct copy of bank account statement for Bellatour, LLC’s Bank of America account ending in 8474 for the periods August 3, 2017 to May 31, 2019 (bates number RDADV000231-000416).

40. Attached hereto as **Exhibit 39** is a true and correct copy of the checks from Davidson's People's United Wealth Advantage Checking Account ending in 4489, payable to Nancy Sterns, between November 2018 and February 2019 (bates number RDADV001042-001044).

41. Attached hereto as **Exhibit 40** is a true and correct copy of the checks from Davidson's People's United Wealth Advantage Checking Account ending in 8022, payable to Nancy Sterns, between May 30, 2019 and November 15 2019 (bates number RDADV001027-001035).

42. Attached hereto as **Exhibit 41** is a true and correct copy of Rick Davidson's 2016 Federal Tax Return (bates number RDADV000458-000488).

43. Attached hereto as **Exhibit 42** is a true and correct copy of Rick Davidson's 2017 Federal Tax Return (bates number RDADV000501-000542).

Dated: Florham Park, New Jersey
May 15, 2024

s/ Alan J. Brody
Alan J. Brody